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Federal Communications Commission
Office of Secretary

VIA COURIER



December 6, 1996

Mr. William F. Caton Acting Secretary Federal Communications Commission Room 222 1919 M Street, NW Washington, DC 20554

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re: Agreement on the DTV Standard MM Docket No. 87-268

Dear Mr. Caton:

This is to affirm the support of Intel Corporation ("Intel") for the agreement on the DTV standard reached among broadcasters, computer industry representatives, and receiver manufacturers ("DTV Agreement"), as reported to the FCC in a letter to Commissioner Susan Ness dated November 27, 1996. Intel appreciates the Commission's decision to seek public comment on the DTV Agreement and encourages the FCC to act expeditiously to adopt a final order in the above-captioned proceeding based on this agreement.

The DTV Agreement results from a month long good faith negotiation among the parties. More importantly, it also culminates a decade long public process in which the FCC, broadcasters, receiver manufacturers, computer companies, the film industry, labor, and participants from other industries and sectors worked to develop, test, and standardize the world's most technically advanced and computer-friendly DTV broadcasting system. The Commission and its public Advisory Committee on Advanced Television Service, along with the Grand Alliance member companies, forged both the technology and the basis for consensus among all industries. In subsequent public comments on the proposed standard, many parties advocated minimizing the extent of any government-mandated standard.

Intel believes the DTV Agreement now paves the way for DTV broadcasting to become a successful new service and a critical element of the national information infrastructure. By acting in accordance with the agreement, the FCC will ensure that DTV broadcasting will serve the American public in a wide variety of ways.

First, DTV broadcasting will provide consumers with the benefits of a much higher quality television service based on digital transmission, transport, and video/audio compression techniques specified in the FCC standard. By adopting a standard that does not specify any particular video scanning formats, including aspect ratio, the Commission leaves to the

No. of Copies rec'd

Mr. William F. Caton December 6, 1996 Page 2

marketplace and, thus, to consumer choice, the formats best suited for DTV broadcasting. Thus, consumers will be able to purchase a wide variety of DTV receivers which may be functionally similar to traditional analog TVs or which may incorporate the intelligence, interactivity, flexibility, and memory capabilities of personal computers.

Second, DTV broadcasting based on the terms of the agreement will enable consumers to benefit from data broadcasting applications, including digital information access (from e.g., the Internet), computer software distribution, and interactive education. These data broadcasting applications – technically enabled by the DTV standard's flexible transport layer and supported by related industry practices or standards – will be either related to or unrelated to traditional television programming being transmitted at the same time.

Third, consumers will be able to benefit from future advances in technology, because the DTV Agreement calls on the FCC to allow the data broadcasting capabilities of the DTV standard to be used to improve the currently feasible video and audio quality of DTV broadcasts. More specifically, such extensibility will allow broadcasters to augment the capabilities of the FCC standard's compression layers and thereby enable advanced DTV receivers to produce even higher resolution images and more realistic sounds.

In sum, rapid FCC adoption of a DTV broadcasting standard in accordance with the terms of the DTV Agreement will benefit American consumers, whether they receive broadcasts via traditional, limited purpose televisions, personal computers, or intelligent PC-like TV devices. The resulting rapid and successful implementation of DTV broadcasting which, of course, relies upon expeditious adoption of rules for all aspects of the DTV service, will benefit all consumers and all of the concerned industries.

Respectfully submitted,

Paul E. Misener

Manager, Telecommunications and

Computer Technology Policy

cc Chairman Reed E. Hundt
Commissioner James H. Quello
Commissioner Susan Ness
Commissioner Rachelle B. Chong
Gregory C. Simon
Thomas Kalil

Asst. Secretary Clarence L. Irving, Jr.

Representative Edward J. Markey